MEETING OF THE BOARD OF TRUSTEES
October 11, 2017

PRESENT: Trustees Chisholm, DeSimone, Duperval, Katzman, Lutts, Mattera (chair), Murphy, Russell, Scott, Segal and President Keenan. Secretary to the Board Montague and assistant secretary Sadowski were also present.

ABSENT:

The provisions of General Laws, Chapter 30A, having been complied with and a quorum of the Board being present, the Board of Trustees of Salem State University held a meeting in Marsh Hall, Room 210, Central Campus, Loring Avenue, Salem, Massachusetts, on October 11, 2017, with Paul Mattera, Chair, presiding.

* * *

I. CALL TO ORDER

Chair Mattera called the meeting to order at 5:10 p.m.

* * *

II. CONSENT AGENDA: APPROVAL OF MINUTES & COMMITTEE REPORTS

Chair Mattera read the items contained on the Consent Agenda and asked for any objections or modifications to the minutes. Hearing none, he then asked for a motion to approve the minutes and upon a motion duly made by Trustee Scott and seconded by Trustee Segal, it was unanimously

VOTED: To approve the Consent Agenda (Attachment CA-17-01)

* * *

III. COMMITTEE ACTIONS

Risk Management & Audit: Trustee Lutts introduced the matters that were discussed earlier that afternoon in the Risk Management & Audit Committee meeting and then moved to the committee recommended motions. Trustee Lutts introduced the committee’s recommended motion pertaining to recommended Trust Fund Guidelines. With no discussion and a unanimous roll call it was

VOTED: The Board of Trustees of Salem State University hereby approves the amended Salem State University trust fund guidelines and policies per Attachment E.
The amended guidelines and policies shall be effective October 11, 2017. (RMA -17-01)

Trustee Lutts then moved on to the Auditors’ report and said the university’s numbers were better than expected and that the reports received good grades. Motions to be presented relate to acceptance of the audit reports at 95% completion with a provision that any significant changes will need to be discussed with the Vice President of Finance and Facilities and Chair of Risk Management. Upon a motion duly made by Trustee Scott and seconded by Trustee Katzman, it was unanimously

VOTED: The Board of Trustees of Salem State University hereby accepts the following audits and reports:

Salem State University Financial Statements and Management’s Discussion and Analysis
June 30, 2017 and 2016

Independent Auditor’s Reports as required by the Uniform Guidance and Government Auditing Standards and Related Information, June 30, 2017.

Further, the Board of Trustees delegates authority to accept the final financial statement package to Vice President Karen House, with the proviso that any significant changes from the draft statements, if any, be discussed first with the chair of the Risk Management and Audit committee. (RMA-17-02)

Trustee Lutts then offered a final motion regarding financial aid program and noted that the committee is asking for the Board’s approve of the motion with the proviso that Vice President House discuss findings, if any, with the chair of Risk Management and Audit. Upon a motion duly made by Trustee DeSimone and seconded by Trustee Segal, it was unanimously

VOTED: The Board of Trustees of Salem State University hereby delegates authority to accept the Report Pursuant to the Massachusetts Office of Student Financial Assistance Audit Guide, June 30, 2017 to Vice President Karen House, with the proviso that findings, if any, be discussed first with the chair of the Risk Management and Audit committee. (RMA-17-03)

Academic Affairs & Student Life: Trustee Chisholm introduced the next matter for consideration which was the approval of a M.S. program in Athletic Training. Trustee Chisholm then distributed the financial plan for the proposed program and following a brief discussion concerning enrollment projections a motion was duly made by Trustee Segal and seconded by Trustee Russell, and it was unanimously

VOTED: The Board of Trustees of Salem State University Hereby approves the M.S. Program in Athletic Training as presented. (AA-17-01)
Chair Mattera explained that we would take the next item out of agenda order and discuss as a committee matter. Trustee Chisholm then went on to explain that the committee recommendation is to amend its name to “Academic Affairs, Student Life and Inclusive Excellence” and to revise its charter to reflect the added responsibilities. An amended charter was distributed for the Board’s review and comment. Trustee Chisholm reminded the Board that a separate vote would need to be taken to amend the By-laws. Following a brief discussion a motion was made by Trustee Segal and seconded by Trustee Russell, and it was unanimously

VOTED: The Board of Trustees of Salem State University approve the revisions made to the academic affairs and student life committee charter as presented (Attachment A).

This action shall be effective immediately upon its approval by the Board of Trustees. (AA-17-02)

Finance & Facilities Committee: Trustee Katzman reported that at its most recent meeting the Finance and Facilities Committee had a lengthy discussion regarding the university’s business model. Vice President of Finance and Facilities House then joined Trustee Katzman to further explain the university’s financial status and the factors that affect our financial model. Currently the university has a deficit of $9M. To understand the background of this deficit, VP House explained that the university had a deficit of $6.4M subsequent to approval of the budget and then the state appropriation was less than had been anticipated. In addition, our enrollment was lower than expected. We now expect a budget shortfall of $2-3M. Our unknowns include unsettled union contracts (union contracts make up 70 percent of our budget) so with planned and unplanned expenses our deficits total $9M. Chair Mattera inquired about the enrollment perspective. Executive Vice President Scott James presented an enrollment update (see Attachment B). EVP James responded that our most recent enrollment numbers are softer than last year and the numbers of degrees awarded are also down. With fewer students in the pipeline, students are making more college applications and competition to fill seats is intense. EVP James provided additional insight on the students who are applying and how the university might better position itself to appeal to potential students. Trustee Katzman suggested a discussion about enrollment strategies at a future meeting might be appropriate and Chair Mattera concurred.

Trustee Katzman then introduced the committee’s motion and with no further conversation upon a motion duly made by Trustee Scott and seconded by Trustees Lutts it was unanimously

VOTED: That the Board of Trustees approves hereby approves the reappointment of Eastern Bank Wealth Management to provide investment management services for certain Salem State University trust funds and authorizes the administration of the university to renew the contract for one year beginning December 16, 2017 (Investment management services contract. (FF-17-01)

* * *

IV. REPORT OF THE PRESIDENT
President Keenan offered his first report as university president and said it has been a whirlwind first fourteen weeks on the job with no contract for the three unions, the revocation of DACA, the budget deficit and forum last night on the campus climate and UMass Boston with a new residence hall as competition. These are definitely challenging times however President Keenan is excited to be here. Students, faculty, staff and board are wonderful and it’s been great to have civil discussions about the difficulty issues of the day. It’s also been exciting to put the final touches on the Strategic Plan. President Keenan thanked Trustees Katzman and Murphy for their assistance with the plan. The president would like to see enrollment grow by 2,000 over the next decade and the Strategic Plan will be our guide to getting there. It’s amazing that we’ve done as well as we have given our current facilities. We’ve been collaborating with other community college campuses including North Shore, Northern Essex and Bunker Hill. The South Salem train stop would help our campus tremendously and the initiative is gaining traction. President Keenan and Provost Silva welcomed colleagues from China to campus earlier this morning and the president will travel to China this summer. There was some discussion regarding an internationalization strategy. President Keenan offered that a full report is coming within a month or so and we will have a full discussion at that time.

* * *

V. REPORT OF THE CHAIR
Chair Mattera announced that he would forego the chair’s report and asked the president for an update on the recent campus vandalism and subsequent campus communications. An Executive Session will follow later to further discuss the investigation.

President Keenan discussed the crime scene and the cooperation the university has received from the FBI and neighboring police departments. If the culprits are found they will be prosecuted to the fullest extent of the law and immediately dismissed from school. Last Thursday there was a discussion on campus where we acknowledged that racism exists on our campus; students spoke at the event and Black, Brown and Proud requested the administration and Board come to a forum to hear more concerns. We joined the students at the Sophia and the students shared many difficult and poignant experiences of bigotry, racism, indifference and intolerance. There’s widespread concern on campus and we need to understand how deep it is. President Keenan is forming a working group to do more. Diversity is the beginning. Inclusion is what needs to be embraced so that we can celebrate diversity in a meaningful way. The president wants to be sure that he’s held accountable and that the university is held accountable for making sure that there is a thorough, positive process for students to report incidents.

A brief discussion followed and several of the trustees offered their opinions of what steps could or should be taken by the university and how the Board could be make the most difference.

VI. OPEN FORUM
Chair Mattera opened the meeting to public comment. Armando Martinez, a student active on campus thanked the Board and Vice President Gene Lebonte for their willingness to listen to students and assistance with the students’ forum. Another student, Asia shared with the Board that there’s a lack of intent in the university’s emails and that the community needs to be educated on diversity. The university also needs to reevaluate how it treats its students and its payments methods. Chair Mattera thanked the students for engaging with the Board.
VII. OLD BUSINESS

Off-site Agenda – Trustee Scott thanked her fellow Committee members Trustees Katzman, Chisholm and Murphy along with President Keenan and Chief of Staff Bryant for their assistance in drafting the Off-site agenda. Trustee Scott gave an overview of the agenda and discussed the facilitators who will join the Board on December 8th. Request was made for input on the agenda and a brief discussion ensued. Chair Mattera and Trustee Scott agreed that the discussion concerning our community, diversity and inclusion continue as part of conversation II. Chair Mattera announced that the Off-site was an open meeting at the Hawthorne Hotel on December 8th.

Committee Meeting Schedule – Chair Mattera then discussed the proposed rotating committee meeting schedule from year to year (as opposed from meeting to meeting) and it agreed that the schedule should move forward and that Board Secretary Montague would circulate the schedule.

* * *

VIII. NEW BUSINESS – Chair Mattera said there was no new business report. Trustee Scott shared that a senior at Salem State, Denyse Hairston is a 2014 Marian L. Heard Scholar. She was nominated by United Way’s partner agency, Lynn YMCA. Trustee Scott also announced that the Department of Higher Education (DHE) will hold a conference on December 4th regarding employability. The President’s Office will circulate registration information.

* * *

Hearing no further discussion Chair Mattera called for a motion to enter Executive Session to discuss a criminal investigation. President Keenan noted that the Board would not reconvene following the session. Upon a motion duly made by Trustee Scott and seconded by Trustee Lutts it was unanimously

VOTED: To adjourn to Executive Session

Voting in the Affirmative: Chisholm, DeSimone, Duperval, Katzman, Lutts, Murphy, Russell, Scott, Segal and Mattera (chair)
Voting in the Negative: None
Absent: None

When the Board had completed its discussion, it voted to come out of Executive Session at 7:11 pm.

* * *

IX. ADJOURNMENT

There being no further business to come before the Board and on a motion duly made by Trustee Chisholm and seconded by Segal it was unanimously
VOTED: To adjourn the meeting at 7:40 p.m.

Voting in the Affirmative: Chisholm, DeSimone, Duperval, Katzman, Lutts, Murphy, Russell, Scott, Segal and Mattera (chair)

Voting in the Negative: None

Absent: None

Respectfully submitted,

John Keenan
President

Lynne Montague
Secretary to the Board of Trustees
Consent Agenda Items:

Minutes approved:

Board of Trustee – June 6, 2017
Risk Management & Audit – September 27, 2017
Institutional Advancement/Marketing and Communications - September 27, 2017
Academic Affairs & Student Life – September 27, 2017
Finance & Facilities – September 27, 2017
REQUEST FOR TRUSTEE ACTION

Date: October 11, 2017
To: Board of Trustees
From: Karen P. House, Vice President for Finance and Facilities
Subject: Trust Fund Guidelines and Policies - Amended
Requested Action: Approval

Background: The Trust Fund Guidelines and Policies were approved by the Board of Trustees on June 8, 2016. Individual campuses are expected to issue Trust Fund Guidelines that pertain to their own campus and to review that guidance periodically.

The two substantive changes in this package are:
- The Board of Higher Education passed new guidelines related to post-presidential employment on June 14, 2016 which are incorporated into the university’s trust fund guidelines.
- The addendum of related policies has been updated to show the most recent revisions since June 8, 2016.

In addition, there are a number of cosmetic changes throughout the document.

MOTION

The Risk Management and Audit Committee hereby recommends that the Board of Trustees approve the amended trust fund guidelines policies per Attachment D.

Recommended motion

The Board of Trustees of Salem State University hereby approves the amended Salem State University trust fund guidelines and policies per Attachment D.

The amended guidelines and policies shall be effective October 11, 2017.

Committee Assigned: Risk Management and Audit Committee
Committee Action: Approved
Date of Action: September 27, 2017

Trustee Action:

Trustee Approval Date:

Effective Date:
Signed: ________________________________
Title: Secretary, Board of Trustees
Date: ________________________________
SALEM STATE UNIVERSITY

TRUST FUND GUIDELINES

AND POLICIES

PREPARED FOR THE BOARD OF TRUSTEES

Approved: June 8, 2016
Amended: October 11, 2017

Salem State University
Division of Finance and Facilities
Trust Fund Guidelines and Policies

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Salem State University

Standards for the Expenditure of Trust Funds

Definition

The term "trust funds" as used in public higher education refers to non-appropriated funds utilized by the university. "Trust funds" are created when a non-appropriated revenue source is generated. Significant revenue sources may result in stand-alone, individual "trust funds" while smaller revenue sources may be pooled.

Revenue Sources

Salem State University has two primary sources of income: state appropriations and funds held in trust, which are generated primarily from fees, gifts and grants, auxiliary revenues, capital financing and miscellaneous sources. These trust fund revenues are used to complement state appropriations in order to ensure sufficient funding for the University programs.

The expenditure of state appropriated funds is governed by detailed state regulations which control expenditures for the university. Statutory authority for enforcing state regulations rests with several entities including the State Auditor, the State Comptroller and the Department of Higher Education.

Although technically "public" funds, trust funds are not "appropriated" funds and, therefore, are not subject to the same spending rules and regulations as appropriated funds. In many cases, other external regulations govern expenditures of trust funds. For example, the Massachusetts State College Building Authority governs the Residence Hall Trust Fund. Where external, third-party regulations do not exist, responsibility for regulating and controlling the expenditure of trust funds rests with the Salem State University Board of Trustees. The Department of Higher Education does not have statutory authority for trust funds.

Role of Trust Funds

For Salem State University, trust funds play an important role in financing the education of our students. The statutory authority for trust funds resides in the Commonwealth of Massachusetts General Laws Chapter 15A, Section 5 and Chapter 73, Section 14, as well as various other statutes governing public institutions of higher education. These statutes allow the Department of Higher Education and Boards of Trustees to create financial accounts to fund and account for certain campus projects, programs and activities. These statutes stipulate that all income received be held in trust and be expended for the purposes for which the trust funds were established. This is also a fundamental tenant of the required form of accounting within the nonprofit higher education industry, which is known as fund accounting.

Trust funds are used in connection with a variety of campus activities such as auxiliary
services (e.g. student housing, parking and food service), student activities and public services. Revenues generated through each activity are used to fund the costs of the associated program or activity. The expectation is that over time most trust funds will become self-supporting.

These guidelines and policies form the basis for the procedures to be followed in establishing, administering and expending trust funds at Salem State University in conjunction with the internal control policies and the general and specific policies and procedures for accounting and fiscal administration of the University.

**Purpose of Standards**

It is important that the development, utilization and management of trust funds be conducted in a manner that complies with applicable laws and statutes and meets with the approval of the Salem State University Board of Trustees. Standards for the expenditure of trust funds are intended to provide some guidance and suggestions on selected expenditures made in the interest of promoting the mission of the university. These standards provide greater clarity and uniformity in the determination of appropriate and inappropriate expenditures of these funds.

**Underlying Principles**

A number of important principles underlie these standards:

1. Standards should not be construed as an attempt to usurp campus based authority or to centralize decision-making. Salem State University must have the flexibility to fulfill its distinctive mission within the public higher education system.

2. There is no substitute for personal ethics and sound judgment. Expenditures of trust funds should be made with the assumption that those decisions and choices will become public knowledge.

3. Accountability is a critical component of local autonomy. The university will be held accountable for choices and decisions, including the expenditure of trust funds.

4. Salem State University is a member of, and participates within, the larger community it serves. As such, the university must interact with community groups and civic associations and it is appropriate for it to make modest and limited expenditures in support of these entities.

5. State universities, like private universities, must engage in activities that promote employee morale, generate philanthropic support and enhance the wellbeing of the University. Accordingly, reasonable and appropriate expenditures to support such activities can and should be made.

6. Trust funds should be spent in a manner which is reasonable and prudent. Travel, entertainment and other expenditures should be made in
moderation and good taste. Additional guidelines are detailed in the university's Business Expense Policy, policy governing On/Off-Campus Events, Recruitment Policy, Travel Policy, and Gift Card Policy referenced in the Addendum.

Responsibility and Reporting

(1) Responsibility for these specific trust fund guidelines and regulations rests with the Salem State University Board of Trustees.

(2) Responsibility for trust fund administration rests with the president and the vice president for finance and facilities. Records should be maintained in accordance with proper accounting procedures including documentation of receipts, disbursements and bank accounts.

(3) All trust fund activities are subject to regular audit inspection by the State Auditor's Office.

(4) Clear definitions, goals and objectives shall be established for each trust fund. An annual budget will be developed, reviewed by the president and submitted to the board of trustees for approval. Such budgets should include sufficient detail to permit the identification of major expenditures over $500,000 in a fiscal year.

(5) The president or designee shall provide an accounting of trust fund revenues and expenditures to the board of trustees on a quarterly basis. Audited financial statements shall be submitted to the Department of Higher Education, the Office of the State Auditor and the Office of the State Comptroller on an annual basis. Additional reports may be requested at the discretion of the board of trustees or the appropriate state department/office.

(6) The level of detail in the quarterly reports must be sufficient to satisfy board of trustees’ inquiries and audit requirements and should also include: certification by the president or designee that all records were maintained in accordance with proper procedures, including documentation of receipts, disbursements and bank accounts, and that all expenditures were made to advance Salem State University's mission.

(7) The Finance and Facilities Committee of the Board of Trustees shall review the report and it should be provided to the full board of trustees. The president is responsible for reporting any violations of trust fund expenditure standards to the board of trustees. The board of trustees shall be responsible for follow-up action taken to address each violation.

(8) As necessary, the Risk Management and Audit (RMA) Committee of the Board of Trustees will receive reports by auditors for review and discussion with the full board of trustees. The RMA Committee reviews an annual external audit prior to its acceptance by the full board of trustees. Furthermore, the RMA Committee reviews audited financial statements and financial compliance reports.
(9) Wherever specific expenditures require prior approval, the approval of the annual budget by the board of trustees satisfies prior approval requirements for any expenditure.

(10) The president or his/her designee has discretion over individual contracts where trust funds are used up to $500,000 except in the following circumstances which require prior approval of the board chair:

a. Expenditures which personally benefit the president, if any, which shall not be in violation of the State Ethics laws.

b. Expenditures for furnishings or decoration of the president's office or home;

c. Expenditures for fees or individual membership dues over $500 except for fees or dues associated with professional organizations that directly advance the mission; or that support licensure/certifications required by an employee in the course of his/her job responsibility.

d. Expenditures for trustee travel;

e. Expenditures for purchase or lease of motor vehicles used by the president or other administrators.

(11) Individual annual expenditures for contracts over $500,000 require the prior approval of the board of trustees which can be granted through approval of the budget schedule identifying them. In rare cases when approval of the full board of trustees is not immediately available, the executive committee of the board may grant verbal approval on behalf of the board of trustees. Such an action must be reported at the next regularly scheduled meeting of the full board of trustees.

Prohibited Expenditures

The following expenditures are expressly prohibited:

(1) Expenditures which would be in violation of state ethics laws or other applicable laws.

(2) Purchase or lease of vehicles for the exclusive use of employees other than the president. Vehicle(s) for the exclusive use of the president, if any, shall be governed by the terms of an employment contract duly approved by the board of trustees.

(3) Contributions to individuals seeking elected public office or to political action committees (PACs) or equivalent organizations

(4) Personal loans granted to university staff or members of the board of trustees. (This prohibition excludes regular financial aid programs at the institution.)

(5) Initiation fees and membership dues for private clubs.
Categories of Allowable Expenditure

(1) Expenditures of a Personal Nature
   a. Whenever expenditure would personally benefit or might be seen to personally benefit an individual, that person is prohibited from approving such expenditure, regardless of the dollar amount. In all such circumstances, the president or his/her designee must approve the expenditure in advance.
   b. In the case of the president, the chairperson of the board of trustees must provide approval of such expenditures which will be reported to the Risk Management and Audit Committee on an annual basis.

(2) General Campus Projects
   a. When furnishings or decorations are paid from university funds for the president's home or office, they must have the prior approval of the board of trustees. All such expenditures shall conform to university and state policies and procurement regulations and guidelines.
   b. Contractor and consultant fees paid from trust funds shall conform to state law pertaining to such activities.
   c. Publications, including presidential reports, newsletters, advertisements, magazines, invitations should demonstrate moderation and good taste.
   d. Individual membership fees for civic, academic and/or professional organizations must have prior approval of the president or his/her designee except for fees or dues associated with professional organizations that directly advance the mission or licensure/certification required by responsibility. In the case of the president, the board of trustees must give prior approval.
   e. Modest contributions to charitable organizations are permissible provided they will further the public purpose of the university.

(3) Travel and Subsistence Costs
   Refer to the University Travel and Business Expense Policy which may change from time to time.

(4) Personal and Student Loans
   a. It is permissible to provide salary disbursements through the Commonwealth’s Dynacash procedures to employees if the university cannot meet payroll due to technical or processing difficulties. (e.g. computer failure, problems with timesheet processing, etc.).
   b. In the case of students, loans can only be made by the president or the director
of financial aid and should be made only via standardized financial aid loan programs or, rarely, in exceptional circumstances ("emergency loan").

(5) Employee and Student Recognition Activities

   a. Certain expenditures of trust funds to enhance employee and student morale or to recognize achievement, longevity, performance or retirement can be made in moderation. Gift cards may not be purchased as a form of recognition. (Refer to gift card policy). All recognition activities must comply with specific University policies and procedures (see Addendum).

(6) Entertainment of University Donors, Alumni, Friends, Guests and Visitors

   a. Such entertainment by any members of the university should be in moderation and good taste.

   b. It is appropriate for the university president to entertain guests in his/her home as part of official duties. Such entertainment should be in moderation and good taste.

   c. Sports, theater and other entertainment tickets can be purchased with trust funds if the event is being held on campus or directly supports the university’s programs. Such expenditures may be made to support student attendance at events.

(7) The Board of Higher Education (BHE) Guidelines and Procedures for Transitional, Post-Presidential Employment Agreements for State University and Community College Presidents as approved on June 14, 2016 is incorporated by reference. An excerpt from the BHE policy is as follows:

   “Trustees of state universities and community colleges are prohibited from entering into post-presidential employment agreements with a sitting president unless the agreement is memorialized in the President’s Board of Higher Education (BHE) – approved Terms of Appointment or otherwise approved by the Commissioner of the Department of Higher Education, in consultation with the chair of the BHE.

   Proposed agreements with a former president who has resigned within the last 12 months shall be submitted to the commissioner for review to determine 1) whether the proposed agreement is a retirement benefit or severance agreement which would require BHE approval; or 2) whether the agreement is reasonable on its face using the Guidelines and Procedures for Transitional, and Post-Presidential Employment Agreements for State University and Community College Presidents, and delegates to the Commissioner the authority to act on behalf of the Board of Higher Educations as approved by the Board of Higher Education on June 14, 2016.”
(8) Miscellaneous

a. Attracting individuals of high quality can require assisting them with the costs of relocation from other parts of the state or country. If considered necessary by the supervisor and with appropriate campus approvals (assistant vice president human resources and the relevant vice president), university departments may pay a new employee a reasonable transition allowance to cover their personal moving, relocation and employment transition costs. If a transition allowance is paid, the allowance will be taxable to the employee and paid via payroll. The allowance must be (1) authorized in advance, (2) documented in writing to the employee and for the human resource files, and (3) directly related to the commencement of employment at Salem State University.

b. Modest purchases of flowers, gifts and cards from trust funds may be made by the president or his/her designee. Appropriate occasions include but are not limited to: death or illness of an employee, student, trustee or person of special importance to the university, or immediate family member of said persons; appreciation for contributions that enhance the mission of the university.

Closing Comments

As noted previously, these standards for the expenditure of trust funds are not all-inclusive. It would be impossible to outline every possible type of expenditure which might be made utilizing these funds. However, when a trust fund expenditure decision must be made, it should be made in recognition of the public nature of these funds and in moderation and good taste.
<table>
<thead>
<tr>
<th>Trust Fund</th>
<th>Description</th>
<th>Count of PeopleSoft Funds</th>
<th>FY15 Total Revenue</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>L3_Agency</td>
<td>Funds held by Salem State as custodian/fiscal agent for others</td>
<td>6</td>
<td>-</td>
<td>Fund 6222 - Unclaimed Checks</td>
</tr>
<tr>
<td>L3_Education &amp; General Funds</td>
<td>Basic operations of the university; unrestricted funds</td>
<td>53</td>
<td>128,378,885</td>
<td>Fund 1000 - State Maintenance Appropriation</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Fund 2311 - Darwin Festival</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Fund 1247 - Investments</td>
</tr>
<tr>
<td>L3_Gifts</td>
<td>Funds donated by others outside the university for a specific purpose</td>
<td>2</td>
<td>296,548</td>
<td>Fund 2313 - Departmental Gifts</td>
</tr>
<tr>
<td>L3_Grants</td>
<td>Funds provided by an external party in return for a specific project or other action by the university. Majority of SSU's grants are for financial aid to students.</td>
<td>258</td>
<td>20,673,825</td>
<td>Fund 2200 - Pell Grant</td>
</tr>
<tr>
<td>L3_Net Invested in Capital Assets</td>
<td>Capitalizable facility projects; depreciation; debt.</td>
<td>19</td>
<td>7,945,075</td>
<td>Fund 7020 - DCAM Solar Panel 7006-9800</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Fund 7040 - Invested in Cap Assets-Net</td>
</tr>
<tr>
<td>L3_Residence Hall Trust Fund</td>
<td>Self-supporting operations that provide services to students, faculty, or staff; restricted by an entity outside of the university (MSCBA owned facility operations)</td>
<td>11</td>
<td>16,084,078</td>
<td>Fund 2517 - CDTR-Atlantic Hall</td>
</tr>
<tr>
<td>L3_Restricted other</td>
<td>Funds provided by others for the purpose of Student Financial Aid in the form of loans, not grants. Debt belongs to the recipient, not the university.</td>
<td>65</td>
<td>817,213</td>
<td>Fund 2304 - Alpha Lambda Delta/ACADEMIA</td>
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<tr>
<td>L3_Total Loan Funds</td>
<td></td>
<td>5</td>
<td>-</td>
<td>Fund 4204 - Graduate Student Loan Fund</td>
</tr>
<tr>
<td>L3_Total Restricted Endowments</td>
<td>Most endowments are held by the Foundation, but the university has one historical endowed fund</td>
<td>1</td>
<td>18,863</td>
<td>Fund 5002 - Cruttenden Endowment</td>
</tr>
<tr>
<td>L3_Unrestricted Auxiliaries</td>
<td>Self-supporting operations that provide services to students, faculty, or staff; not restricted by an entity outside of the university</td>
<td>4</td>
<td>180,023</td>
<td>Fund 6204 - Dining Hall Trust Fund</td>
</tr>
</tbody>
</table>

**Total Individual Funds in PeopleSoft (Active)**

| Total Individual Funds in PeopleSoft (Active) | 424 | 174,394,510 |
The Board of Trustees of Salem State University establishes trust funds as authorized by Massachusetts General Laws Chapter 15A, Section 5 and Chapter 73, Section 14. These statutes authorize the university, through its board of trustees, to create trust funds to finance and account for certain campus projects, programs and activities. The board of trustees shall establish those fees required to maintain a reasonable balance of unrestricted operating funds.

These statutes also stipulate that income received (other than state and federal appropriations) be held in trust and be expended for the purposes for which each trust fund is established. Trust funds are used to provide an accounting structure within which the university shall operate those activities deemed necessary for the operation and maintenance of those university projects, programs and activities directly associated with the particular trust fund.

The Salem State University Board of Trustees shall be the primary legal entity responsible for the collection of revenues and expenditures of funds associated with these accounts. The board of trustees delegates the authority to operate trust funds to the president, who in turn delegates the following responsibilities to the vice president for finance and facilities:

1. Establishing and maintaining accurate records of all transactions affecting the fund balance of each account. Records shall be maintained in accordance with proper accounting procedures, including documentation of receipts, disbursements and bank accounts.

2. Maintaining cash collected in the name of the trust fund within an approved banking establishment as approved by the chief financial officer.

3. Complying with all Massachusetts General Laws, which may directly or indirectly affect the nature of expenditures from the trust funds, and compliance with all guidelines and standards, issued by the governor of Massachusetts under his/her executive authority.

4. Providing the president with a detailed accounting of trust fund expenditures on a routine basis. The president or her designee shall provide quarterly reports to the board of trustees for review. Such reports are disseminated to the board of trustees through the finance and facilities committee.
Salem State University – Educational and General Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

(1) The trust shall be exclusively known as "Salem State University – Education and General Trust Fund."

(2) The Education and General Trust Fund shall be used to provide support for the general purpose of university operations, which include academic costs, costs associated with student services, institutional support, operation and maintenance of the physical plant, and costs related to public service to enhance university/community relations. Funds may be used for the purpose of scholarship aid and financial assistance to students from time to time as deemed appropriate by the president and/or the board of trustees.

(3) The revenue sources for this trust fund will be derived from undergraduate tuition and fees and graduate student tuition and fees, application fees, unrestricted gifts, library fees, payment plan fees, transcript fees, locally generated day tuition revenues and various other revenue sources not in conflict with existing university contracts or university policies and procedures. Funds may be transferred to or received from other trusts for expenditure in this trust fund as appropriate. An example of an appropriate transfer to another fund would be transferring funds to the Net Investment in Plant Trust Fund to cover depreciation, debt service, and/or capital improvement projects.

(4) Examples of appropriate expenditures would be, but not limited to the following: office supplies, travel expenses, payroll expenses, electricity, consultant expenses, books, paper, equipment, and other expenses related to the daily operation of the university.

Expenditures must be in compliance with the expense policies of the university listed in the addendum.

(5) Examples of inappropriate expenditures would be, but not limited to the following: any items indicated as inappropriate trust fund expenditures within the Trust Fund Guidelines issued by the Department of Higher Education.

(6) Retained Education and General Trust Fund balances may be created or preserved in order to protect against any economic or enrollment downturns or budget rescissions from the commonwealth, or to create a pool for future strategic initiatives.
Salem State University – Agency Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

(1) The trust shall be exclusively known as "Salem State University – Agency Trust Fund."

(2) The Agency Trust Fund shall be used to provide financial custodial and accounting services for an external entity for projects that closely relate to the mission of Salem State University, and for which Salem State has clear legal authority to engage in such services.

(3) The revenues sources for this trust fund will vary depending on the nature of the entity and its activities.

(4) Examples of appropriate expenditures would include distribution of funds collected, for the purposes intended via the collection.

(5) Examples of inappropriate expenditures would include items which are not intended, by the legal owner, to be purchased.

(6) Retained Agency Trust Fund balances do not legally belong to Salem State University and are held on behalf of the other entity.
Salem State University – Gifts Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

(1) The trust shall be exclusively known as "Salem State University – Gifts Trust Fund."

(2) The Gifts Trust Fund shall be used to provide support for the programs and services of the university in accordance with the specific intent expressed by the donor. It should be noted that most such gifts are received initially by the Salem State University Foundation and are conveyed to the university by the foundation.

(3) The revenues sources for this trust fund will be gifts.

(4) Examples of appropriate expenditures would include equipment, supplies, payroll as intended by the donor.

(5) Examples of inappropriate expenditures would include items that are not consistent with the intent of the gift; for example, buying laboratory equipment from a theatre department gift fund.

(6) Retained Gifts Trust Fund balances are carried forward and may only be spent in a manner consistent with the donor’s intent.
Salem State University – Grants Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

(1) The trust shall be exclusively known as “Salem State University – Grants Trust Fund.”

(2) The Grants Trust Fund shall be used to provide support for projects or financial aid, as agreed upon between the university and the grantor,

(3) The revenues sources for this trust fund will be Federal, state, private and other grants and contracts.

(4) Examples of appropriate expenditures would include financial aid, labor, equipment, supplies, travel as per the approved terms and conditions of the grant award.

(5) Examples of inappropriate expenditures would include items not allowable under the terms and conditions of the grant.

(6) Retained Grants Trust Fund balances are not normally anticipated at the conclusion of the award year or the expiration of the final grant period.
Salem State University – Net Invested in Capital Assets Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

(1) The trust shall be exclusively known as “Salem State University – Net Invested in Capital Assets Trust Fund.”

(2) The Net Invested in Capital Assets Trust Fund shall be used to provide support to acquire, pay for, and improve the physical assets of the university (campus and major equipment.)

(3) The revenue sources for this trust fund will include funds transferred from the Education and General Trust Fund, properly authorized debt issuance, state capital grants and similar sources.

(4) Examples of appropriate expenditures would include design and construction services, depreciation, payment of principal and interest on indebtedness.

(5) Examples of inappropriate expenditures would include routine supplies for a department.

(6) Retained Net Invested in Capital Assets Trust Fund balances will carry forward for future capital asset needs.
Salem State University – Residence Halls Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

(1) The trust shall be exclusively known as “Salem State University – Residence Halls Trust Fund.”

(2) The Residence Halls Trust Fund shall be used to provide support for the operation of the residence halls on campus.

(3) The revenues sources for this trust fund will be room rents charged to students and rental of space for conference and other guests.

(4) Examples of appropriate expenditures would include resident advisor labor, maintenance of the residence halls, utilities, housing grants to students, or replacement of furniture in the halls.

(5) Examples of inappropriate expenditures would include expenses that do not benefit the residents of the halls or contribute to the upkeep and programming of them.

(6) Retained Residence Hall Trust Fund balances remain intact and carry forward. The Massachusetts State College Building Authority (MSCBA) establishes certain reserve requirements through various contracts with the Massachusetts Department of Higher Education and the bondholders for project financing.
Salem State University – Other Restricted Activities Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

(1) The trust shall be exclusively known as "Salem State University – Other Restricted Activities Trust Fund."

(2) The Other Restricted Activities Trust Fund shall be used to provide support for operations of programs that are related to the university’s mission but dictated by external parties,

(3) The revenues sources for this trust fund will be fees, dues, and miscellaneous sales.

(4) Examples of appropriate expenditures would include program costs for various academic honor societies.

(5) Examples of inappropriate expenditures would include items not consistent with the purpose and intent of the collected funds.

(6) Retained Other Restricted Activities Trust Fund balances carry forward for future use.
Salem State University – Loan Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

(1) The trust shall be exclusively known as "Salem State University – Loan Trust Fund."

(2) The Loan Trust Fund shall be used to provide support for financial aid for students which take the form of loans to students or parents, primarily from the Federal Department of Education.

(3) The revenues sources for this trust fund will be funds provided by the lender on behalf of the student or parent borrower. It should be noted that such funds are not revenue to the university per se; the university is acting as a pass-through from the lender to the intended borrower.

(4) Examples of appropriate expenditures would include disbursements to the borrower, often then credited directly to the student’s account balance with the university.

(5) Examples of inappropriate expenditures would include purchases of goods or services for university departments.

(6) Retained Loan Trust Fund balances generally do not exist as the loan funds are disbursed in their entirety every year.
Salem State University – Restricted Endowments Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

(1) The trust shall be exclusively known as "Salem State University – Restricted Endowments (Cruttenden) Trust Fund."

(2) The XYZ Trust Fund shall be used to provide support consistent with the original Cruttenden gift.

(3) The revenues sources for this trust fund will be payout associated with the invested funds or as per an approved endowment spending policy.

(4) Examples of inappropriate expenditures would include items inconsistent with the intent of the endowment.

(5) Retained Restricted Endowment Trust Fund balances remain in perpetuity as required by the terms of the endowment.
Salem State University – Unrestricted Auxiliaries Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

(1) The trust shall be exclusively known as "Salem State University – Unrestricted Auxiliaries Trust Fund."

(2) The Unrestricted Auxiliaries Trust Fund shall be used to provide services for students, faculty, and staff as anticipated through the particular program which is housed in this trust fund, for example the dining program or the bookstore.

(3) The revenues sources for this trust fund will be generated by the particular auxiliary program.

(4) Examples of appropriate expenditures would include payments to the outsourced vendor who provides the auxiliary service.

(5) Examples of inappropriate expenditures would include purchases for items not related to the auxiliary programs.

(6) Retained trust fund balances carry forward or may be transferred to the university’s educational and general fund and used as the university deems appropriate to achieve its mission and purpose.
THIS IS A TEMPLATE IN THE EVENT OF CREATING ADDITIONAL TRUST FUNDS IN THE FUTURE

Salem State University – XYZ Trust Fund

In accordance with the fiduciary requirements of the Board of Trustees of Salem State University this fund is subject to the following terms and conditions:

(1) The trust shall be exclusively known as "Salem State University – XYZ Trust Fund."

(2) The XYZ Trust Fund shall be used to provide support for _____,

(3) The revenues sources for this trust fund will be _________.

(4) Examples of appropriate expenditures would include _______

(5) Examples of inappropriate expenditures would include _________

(6) Retained XYZ Trust Fund balances ____________
Addendum – List of Related Policies – Date of Most Recent Revision

1. Business Travel Policy – August 2011
3. Fraud Waste and Abuse Policies – November 2009 (Toolkit from State Comptroller’s Office)
5. Time and Effort Reporting Policy - December 2010
7. Contract Signing Authority – November 2015

List of related procedural documents

1. Business Expense Reimbursement Procedures – ongoing
REQUEST FOR TRUSTEE ACTION

Date: October 11, 2017
To: Board of Trustees
From: Karen P. House, vice president for finance and facilities
Subject: FY17 audited financial statements and audit reports of Federal programs

Requested Action: Discussion/Acceptance

The Risk Management and Audit Committee hereby recommends that the Board of Trustees approve the following motion pertaining to the FY17 Salem State University audited financial statements and programs and related materials.

MOTION

The Board of Trustees of Salem State University hereby accepts the following audits and reports:

Salem State University Financial Statements and Management’s Discussion and Analysis June 30, 2017 and 2016

Independent Auditor’s Reports as Required by the Uniform Guidance and Government Auditing Standards and Related Information, June 30, 2017

Further, the Board of Trustees delegates authority to accept the final financial statement package to Vice President Karen House, with the proviso that any significant changes from the draft statements, if any, be discussed first with the chair of the Risk Management and Audit committee.

Committee Assigned: Risk Management and Audit
Committee Action: Approved
Date of Action: October 11, 2017

Trustee Action: Approved
Trustee Approval Date: October 11, 2017
Effective Date: October 11, 2017

Signed: [Signature]
Title: Secretary of the Board of Trustees
Date: 10/11/2017
REQUEST FOR TRUSTEE ACTION

Date: October 11, 2017
To: Board of Trustees
From: Karen P. House, vice president for finance and facilities
Subject: FY17 audit report of state financial aid programs
Requested Action: Discussion/Delegation of Authority

The Risk Management and Audit Committee hereby recommends that the Board of Trustees approve the following motion pertaining to the FY17 audit report of state financial aid program.

MOTION

The Board of Trustees of Salem State University hereby delegates authority to accept the Report Pursuant to the Massachusetts Office of Student Financial Assistance Audit Guide, June 30, 2017 to Vice President Karen House, with the proviso that findings, if any, be discussed first with the chair of the Risk Management and Audit committee.

Committee Assigned: Risk Management and Audit
Committee Action: Approved
Date of Action: October 11, 2017

Trustee Action: Approved
Trustee Approval Date: October 11, 2017
Effective Date: October 11, 2017

Signed: [Signature]
Title: Secretary of the Board of Trustees
Date: 10/11/2017
Program Description:

The Athletic Training Program at Salem State University has been given the task to develop a plan to transition the current undergraduate Athletic Training Program to a Professional MSAT Program. The proposed Professional MSAT degree will consist of 60 credit hours of graduate course work completed over two years. Both the didactic and clinical experience requirements are designed to prepare graduate athletic training students with the knowledge and skills to transition to autonomous practice as a certified and licensed athletic trainer. The CAATE has mandated that by 2022 all Athletic Training Programs must issue a Master’s of Science in Athletic Training (MSAT) degree in order to operate an accredited Athletic Training Program.

Assumptions

- Enrollment: 16 the first year; 1 new student each period after
- Revenue: 60 credits required; 2-year program with 95%+ graduation rate
- Tier Level: Calculated at the Tier 3 level for additional fees
- In State / Out of State: Using all In State tuition and fee rates
- Other Fees: Increases by 5.72% each year for 4 years
- Salary: A 2% increase is forecasted for the base salary
- Fringe: A 5% increase is forecasted for both FT and PT faculty and staff
- Non-labor inflation: A 3% increase is forecasted for each year

Financial Summary

<table>
<thead>
<tr>
<th>MSAT Financial Summary</th>
<th>FY 2020 Forecast</th>
<th>FY 2021 Forecast</th>
<th>FY 2022 Forecast</th>
<th>FY 2023 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enrollment - Fall Headcount (Not Financial FTE)</td>
<td>16</td>
<td>33</td>
<td>35</td>
<td>37</td>
</tr>
<tr>
<td>Benefited Faculty</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Faculty Overload</td>
<td>0.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Staff</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Adjunct Faculty</td>
<td>0.08</td>
<td>0.24</td>
<td>0.24</td>
<td>0.24</td>
</tr>
<tr>
<td>Contract Employees</td>
<td>0.05</td>
<td>0.05</td>
<td>0.05</td>
<td>0.05</td>
</tr>
<tr>
<td>Total FTEs</td>
<td>2.13</td>
<td>3.29</td>
<td>3.29</td>
<td>3.29</td>
</tr>
</tbody>
</table>

| Revenue                                 |                  |                  |                  |                  |
| Tuition and Fees                        | $294,374         | $541,829         | $595,419         | $652,494         |
| Total Revenue                           | 294,374          | 541,829          | 595,419          | 652,494          |

| Operating Expenses                      |                  |                  |                  |                  |
| Compensation                            | 141,603          | 192,707          | 198,744          | 205,058          |
| Other Expenses                          | 52,800           | 51,294           | 52,833           | 54,418           |
| Total Operating Expenses                | 194,403          | 244,001          | 251,577          | 259,476          |

| Net Revenue over Expense                | $99,971          | $297,828         | $343,842         | $393,018         |

Note: Faculty workload assumes a new faculty member with specific qualifications requested in the DHE New Program proposal (p. 16). The remaining workload assumes appropriately assigned courses that could be conducted by qualified adjunct instructors and existing faculty members wishing to increase their workload with additional graduate course work.
Board of Trustees
Academic Affairs, Student Life and Inclusive Excellence Committee Charter

Purpose

The Academic Affairs, Student Life and Inclusive Excellence Committee of the Board of Trustees shall be a permanent committee that oversees the university’s central mission of providing a high quality, student-centered education grounded in strong academic programs, inclusive excellence, active civic engagement, and enriching personal and professional development. The committee makes recommendations to the Board of Trustees regarding academic policies and programs, assessment of academic programs and educational experiences, student retention, student life, inclusive excellence, campus climate, and matters related to faculty tenure and promotion. The committee is dedicated to fostering academic excellence and student success.

Responsibilities

Academic Affairs
1. Review and approve new academic undergraduate and graduate degree programs.
2. Ensure that the university assesses the effectiveness of its academic programs on a regular basis and makes adjustments as needed.
3. Review and recommend faculty for tenure, promotion and terminal contracts.
4. Review and provide counsel on matters related to academic policies; academic advising; teaching innovation; and research, scholarship, and creative activity.
5. Ensure that academic quality is a top priority of the university.

Student Life
1. Review enrollment trends and make recommendations to improve student recruitment and retention efforts.
2. Provide guidance to ensure diverse, high quality, co-curricular program offerings that meet a broad range of student interests.
3. Ensure comprehensive career planning support services to undergraduate/graduate students and alumni.
4. Advise and provide counsel on issues of student concern including residence life, spiritual life, and student conduct, and diversity and multicultural affairs.
5. Ensure that student success is a top priority of the university.
Inclusive Excellence

1. Review diversity, equity and inclusion strategies and make recommendations to create and sustain a positive campus climate.

2. Provide guidance to ensure that Inclusive Excellence as a comprehensive approach employs a dual focus in efforts, concentrating on both increasing compositional diversity, and creating learning environments in which students of all backgrounds can thrive.

3. Ensure that multi-layered processes exist to maintain accountability and recognition for institutional diversity progress.

4. Advise and provide counsel on best practices for recruiting, hiring and retaining a diverse faculty and staff.

5. Ensure that advancing Inclusive Excellence is a top priority of the university.

Membership

The Academic Affairs, Student Life and Inclusive Excellence Committee shall have not fewer than three Trustees appointed by the Chair of the Board. The President shall be a member of each committee, ex officio, voting. Committee members may include individuals who are not trustees so long as the majority membership of the committee is comprised of trustees. The Chair shall have the authority to appoint non-trustee members advisory, nonvoting to the committee to serve until the next annual meeting. Members may be appointed to the committee on a temporary basis, by the Chair, as may be required.

Quorum

A majority of the members shall constitute a quorum.

Staff Designee

The provost and academic vice president is the senior staff member supporting the committee for matters related to academic affairs. The vice president of student life and enrollment management is the senior staff member supporting the committee for matters related to student life. The vice president of inclusive excellence is the senior staff member supporting the committee for matters related to inclusive excellence.

Meetings

The committee is expected to meet at least four times each academic year. Frequency and timing of meetings shall be determined by the chair of the Board of Trustees. Meetings shall be conducted in compliance with the state’s Open Meeting Law. Executive sessions may be conducted periodically and shall be limited to those matters permitted by the state’s Open Meeting Law.

Agenda, Minutes, and Reports

The chair of the committee, in collaboration with the staff designees, shall be responsible for establishing the agendas for meetings. An agenda, together with relevant materials shall be
made available to committee members at least five days in advance of the meeting. Minutes for all meetings shall be drafted by the staff designee, reviewed by the committee chair, and approved by committee members at the following meeting.
Enrollment Update

Scott R. James, Ed.D.
Executive Vice President

October 11, 2017
Degrees Conferred

<table>
<thead>
<tr>
<th></th>
<th>Master's</th>
<th>Bachelor's</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2012</td>
<td>512</td>
<td>1,458</td>
</tr>
<tr>
<td>FY 2013</td>
<td>458</td>
<td>1,500</td>
</tr>
<tr>
<td>FY 2014</td>
<td>506</td>
<td>1,483</td>
</tr>
<tr>
<td>FY 2015</td>
<td>443</td>
<td>1,594</td>
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<tr>
<td>FY 2016</td>
<td>495</td>
<td>1,670</td>
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<tr>
<td>FY 2017</td>
<td>472</td>
<td>1,617</td>
</tr>
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</table>
## Retention Rate and Graduation Rate – FT Freshman

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Cohort</td>
<td>1,129</td>
<td>1,064</td>
<td>1,133</td>
<td>974</td>
<td>986</td>
<td>989</td>
<td>1,086</td>
<td>1,073</td>
<td>1,127</td>
<td>1,082</td>
<td>1,130</td>
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</tbody>
</table>

### Retention Rate

1 Year Retention Rate: 72.63% 71.15% 74.85% 81.21% 73.33% 73.81% 78.08% 81.17% 79.86% 79.11% 77.17%

2 Years Retention Rate: 60.58% 62.50% 63.46% 65.81% 59.63% 63.60% 67.22% 69.62% 68.59% 67.47%

3 Years Retention Rate: 55.98% 57.52% 55.52% 59.55% 57.30% 58.85% 63.08% 64.59% 64.95%

### Graduation Rate

4 Years Graduation Rate: 20.02% 21.99% 22.51% 27.21% 27.59% 28.72% 37.02% 39.42%

5 Years Graduation Rate: 37.82% 39.00% 40.34% 46.10% 44.83% 48.03% 54.14%

6 Years Graduation Rate: 45.35% 45.58% 45.90% 49.90% 51.52% 52.07%

Highlighted data is as of 10/9/2017
# Undergraduate Admissions Funnel

<table>
<thead>
<tr>
<th></th>
<th>Freshman</th>
<th></th>
<th>Transfer</th>
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<tbody>
<tr>
<td></td>
<td>Fall 16</td>
<td>Fall 17 (P)</td>
<td>Fall 16</td>
<td>Fall 17 (P)</td>
</tr>
<tr>
<td><strong>Applied</strong></td>
<td>6,139</td>
<td>6,194</td>
<td>1,543</td>
<td>1,404</td>
</tr>
<tr>
<td><strong>Accepted</strong></td>
<td>4,517</td>
<td>5,074</td>
<td>1,268</td>
<td>1,155</td>
</tr>
<tr>
<td><strong>Enrolled</strong></td>
<td>1,145</td>
<td>1,103</td>
<td>752</td>
<td>617</td>
</tr>
<tr>
<td><strong>Accept Rate</strong></td>
<td>74%</td>
<td>82%</td>
<td>82%</td>
<td>82%</td>
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<tr>
<td><strong>Yield</strong></td>
<td>25%</td>
<td>22%</td>
<td>59%</td>
<td>53%</td>
</tr>
</tbody>
</table>
Freshman – Accept Rate and Yield
(2017 data as of Oct 9, 2017)

Accept Rate

2011: 67%
2012: 69%
2013: 72%
2014: 71%
2015: 75%
2016: 74%
2017 (P): 82%

Yield

2011: 31%
2012: 33%
2013: 29%
2014: 31%
2015: 28%
2016: 25%
2017 (P): 22%
New Students Entering in Fall Term
(2017 data as of Oct 9, 2017)

- Freshman
- Transfer
- Graduate

<table>
<thead>
<tr>
<th>Year</th>
<th>Freshman</th>
<th>Transfer</th>
<th>Graduate</th>
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<tbody>
<tr>
<td>2011</td>
<td>1,005</td>
<td>868</td>
<td>320</td>
</tr>
<tr>
<td>2012</td>
<td>1,095</td>
<td>860</td>
<td>319</td>
</tr>
<tr>
<td>2013</td>
<td>1,087</td>
<td>782</td>
<td>330</td>
</tr>
<tr>
<td>2014</td>
<td>1,148</td>
<td>740</td>
<td>359</td>
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<tr>
<td>2015</td>
<td>1,093</td>
<td>771</td>
<td>343</td>
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<tr>
<td>2016</td>
<td>1,145</td>
<td>752</td>
<td>357</td>
</tr>
<tr>
<td>2017</td>
<td>1,103</td>
<td></td>
<td>353</td>
</tr>
</tbody>
</table>
Freshman
(2017 data as of Oct 9, 2017)

% Female

<table>
<thead>
<tr>
<th>Year</th>
<th>% Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>65%</td>
</tr>
<tr>
<td>2012</td>
<td>64%</td>
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<tr>
<td>2013</td>
<td>63%</td>
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<tr>
<td>2014</td>
<td>62%</td>
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<td>2015</td>
<td>63%</td>
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<tr>
<td>2016</td>
<td>65%</td>
</tr>
<tr>
<td>2017</td>
<td>65%</td>
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</tbody>
</table>

HS GPA

<table>
<thead>
<tr>
<th>Year</th>
<th>GPA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>3.08</td>
</tr>
<tr>
<td>2012</td>
<td>3.09</td>
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<tr>
<td>2013</td>
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<tr>
<td>2014</td>
<td>3.13</td>
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<td>2015</td>
<td>3.14</td>
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<tr>
<td>2016</td>
<td>3.13</td>
</tr>
<tr>
<td>2017</td>
<td>3.19</td>
</tr>
</tbody>
</table>
Freshman
(2017 data as of Oct 9, 2017)

**Filed for Aid**
- 2011: 91%
- 2012: 91%
- 2013: 92%
- 2014: 92%
- 2015: 92%
- 2016: 94%
- 2017: 93%

**Pell Eligible**
- 2011: 38%
- 2012: 40%
- 2013: 38%
- 2014: 40%
- 2015: 41%
- 2016: 43%
- 2017: 42%
<table>
<thead>
<tr>
<th></th>
<th>Fall 2017</th>
<th>Fall 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>UG Headcount</td>
<td>6,535</td>
<td>6,637</td>
</tr>
<tr>
<td>CE Credits</td>
<td>5,276</td>
<td>6,216</td>
</tr>
<tr>
<td>Grad Credits</td>
<td>11,336</td>
<td>10,851</td>
</tr>
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</table>